

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of Application of California Water Service Company (U 60 W), a corporation, for an order authorizing it to increase rates charged for water service in the Antelope Valley District by \$437,218 or 36.94% in fiscal 2006-2007, by \$145,000 or 8.94% in fiscal 2007-2008, and by \$145,000 or 8.21% in fiscal 2008-2009.

Application 05-08-006

And Related Matters

Application 05-08-007
Application 05-08-008
Application 05-08-009
Application 05-08-010
Application 05-08-011
Application 05-08-012
Application 05-08-013

(Filed August 8, 2005)

**JOINT MOTION OF CALIFORNIA WATER SERVICE COMPANY (U-60—W)
AND THE DIVISION OF RATEPAYER ADVOCATES TO EXTEND DATE FOR
SUBMISSION OF MOTION TO APPROVE SETTLEMENT DOCUMENTATION**

DIVISION OF RATEPAYER ADV.
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Dated: February 28, 2006

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I. INTRODUCTION

Pursuant to Rules 45 and 51.1 *et seq.* of the Rules of Practice and Procedure of the California Public Utilities Commission (“Commission”), applicant California Water Service Company (U 60 W) (“Cal Water”) and the Division of Ratepayer Advocates (“DRA”) hereby move that thirty day deadline for submitting settlements and stipulations set forth in Rule 51.2 be extended by one week from March 2nd to March 9th.

As discussed below, good cause exists to grant this short extension and no one (except possibly Cal Water) will be prejudiced by this additional one week of time. This short interlude will give the moving parties the time needed to properly document the settled issues for presentation to the Commission.

II. FACTUAL BACKGROUND

As the Commission knows, DRA and Cal Water have followed the advice given at the Prehearing Conference and have had on-going settlement discussions since mid-November in an effort to resolve the numerous disputed issues between the parties. While these discussions are privileged, they continued until right before the filing of opening briefs. These discussions have resulted in the resolution of almost all of the issues presented by the applications filed by Cal Water as they relate to DRA's protests.

Because of these on-going negotiations concerning open issues, the parties have not had adequate time to document their agreements that will formalize the numerous settlements reached during the settlement talks, including brand new agreements reached yesterday. Already, Administrative Law Judge McVicar has given Cal Water and DRA until March 9th (the current deadline for reply briefs) to submit briefing on the issue of Cal Water's proposed Water Rate Adjustment Mechanism ("WRAM").

The hearings in this proceeding concluded on January 31st and the deadline in Rule 51.2 allows parties to propose a stipulation or settlement within thirty days – here March 2nd. As part of the on-going settlement process, Cal Water and DRA need an

additional week in order to properly document the disputes they have resolved in language that is mutually satisfactory. Cal Water and DRA hope that through diligent work this documentation effort will be complete by March 9th and that they will be able to file a joint motion seeking the Commission's approval of these resolved issues at that time. In addition to stipulating to most of the costs at issue, Cal Water and DRA may put forth a separate proposal regarding the issue of WRAM. These documents would be separate from the all party proposal regarding Cal Water's requested Rate Base Equalization Account, which should be filed no later than March 2, 2006.

III. DISCUSSION

The Commission's Rules of Practice and Procedure provide that, "Parties to a Commission proceeding may propose a stipulation or settlement for adoption by the Commission (1) any time after the first prehearing conference and (2) within 30 days after the last day of hearing." Commission Rule of Practice and Procedure 51.2. In addition, Rule 45 of the Commission's Rules allows parties to a proceeding to make a motion at anytime during the course of a proceeding. Indeed, the Commission's rule relating to briefs, Rule 75, provides that extensions of time to file briefs be made "in writing" with service on the other parties. Such extensions should also apply to instances where the parties need additional time to document settlement agreements -- agreements which this Commission has encouraged in this proceeding.

Given the short timeframe here, DRA and Cal Water ask for an immediate ruling on this motion. The Commission's rules provide that, "Nothing prevents the

Commission or the administrative law judge from ruling on a motion before responses or replies are filed.” Rule 45 (h).

Here, giving DRA and Cal Water an additional week to document their settlement will benefit the Commission’s decision making process and it will harm no one with the possible exception of Cal Water who loses the most if a final decision is delayed by a week. The parties felt that their limited resources were better devoted to trying to reach mutually agreeable outcomes rather than submitting numerous disputed issues to the Commission. Briefing open issues would in turn require the Commission to weigh the evidence in the record to reach an outcome one way or the other. In addition, allowing the parties to provide the Commission with a more fulsome settlement document will help the Commission analyze the proposal under its rules and precedents which require that such agreements be “reasonable in light of the whole record, consistent with law and in the public interest.” Rule 51.1(e).

Moreover, giving Cal Water and DRA an additional week to expand on their mutual agreements will not harm any of the other parties to this proceeding. The Commission’s Rules expressly provide that parties who do not join a stipulation or settlement proposed for Commission adoption “shall have 30 days from the date of mailing of the stipulation or settlement within which to file comments contesting all or part of the stipulation or settlement” Rule of Practice and Procedure 51.4. Thus, to the extent any other party to this matter contests a portion of the settled issues agreed to

by DRA and Cal Water, the time for briefing those contested issues will not be shortened. In sum, granting this brief extension will not harm the due process rights of any party to this consolidated proceeding.

IV. CONCLUSION

For the reasons stated above, the Commission should grant Cal Water's and DRA's joint motion and provide the two parties with an extra week to fully document their settled issues and present them to the Commission in a manner that will expedite the Commission's review. Cal Water and DRA ask for an immediate ruling since granting this motion will harm no other party.

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Dated: February 28, 2006:

Respectfully submitted,

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February 28, 2006

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a copy of the foregoing document
**“JOINT MOTION OF CALIFORNIA WATER SERVICE COMPANY (U-60-W)
AND OF THE DIVISION OF RATEPAYER ADVOCATES TO EXTEND DATE
FOR SUBMISSION OF MOTION TO APPROVE SETTLEMENT
DOCUMENTATION”** in **A. 05-08-006**. etc.

A copy was served as follows:

[x] **BY E-MAIL:** I sent a true copy via e-mail to all known parties of record who have provided e-mail addresses.

[X] **BY MAIL:** I sent a true copy via first-class mail to all known parties of record.

Executed in San Francisco, California, on the **28th** day of **February, 2006**.

/s/ HALINA MARCINKOWSKI
Halina Marcinkowski